

TESTIMONY IN SUPPORT OF BILL NO. 5412

An Act Concerning the Operation of Certain Vessels Registered With Marine Dealer Registration Numbers

My name is Capt. Dan Wood and I have been operating a light tackle fishing guide service since 1980 out of Niantic, Conn. I am the only full-time fishing guide in the state of Connecticut. This is not a supplement to a principal source of income. During the past 32 years I have complied with all Federal, State and local permit and licensing requirements.

Approximately 15 years ago I received a sponsorship with Hydra-Sports boat manufacturer and Evinrude outboard motors on their Pro-Staff programs. Over the past 10 years I have worked exclusively with Atlantic Outboard, the Hydra-Sports and Evinrude dealer in Westbrook, Conn. This is a very unique situation in that on a daily basis I demonstrate and promote the products of Hydra-Sports boats and Evinrude motors to the potential clients of Atlantic Outboard. This program directly corresponds to boat and engine sales throughout the year, as well as utilizing the demo boat in promotional advertising via articles, news clips, web sites and personal appearances at boat shows, along with sea trials and in-house promotions at the dealership. This endorsement is advantageous to product sales, due to the high number of days the boat is on the water, bearing the signage prominently displayed on the boat for Atlantic Outboard, Hydra-Sports and Evinrude.

The inner workings of this agreement are that I run a dealer demo boat that is for sale throughout the season and at the end of the season the boat is sold. I work for Atlantic Outboard on an in-kind basis. In lieu of salary, I am granted use of the boat for the season. As a fishing guide, I do not receive payment for conveying passengers, but am paid for my fishing knowledge and expertise. The boat is for sale at any point during the year. At the end of each season, the purchaser (usually one of my clients or a client that has sea-trialed the boat) receives delivery of the boat. At that time, sales tax and registration fees are paid to the state. The dealer registration is utilized as the boat is not owned by the dealer or the manufacturer, but by a finance company who floor-plans all dealer boats. One of the big selling factors for people to purchase the dealer demo boat is that it is delivered with the full manufacturers' warranties on the boat and motors.

Through this progressive marketing approach, Atlantic Outboard has elevated their sales to be named in the Top 10 Hydra-Sports dealers in the country for the past six years, and more notably, the #1 Evinrude dealer in North America for the past five years, consecutively.

I have been integral in assisting Atlantic Outboard to achieve the numbers of boats and motors sold through the following:

Tournaments

Besides running a dealer demo boat and being so visible on the water, I have also fished a number of tournaments on the local and national levels, always prominently promoting Atlantic Outboard, Hydra-Sports and Evinrude. This offers exposure to these name brands in print articles and through television coverage of such events.

Boat Shows/Sportman's Shows

I assist the dealer in sales and promotion at numerous boat shows throughout the region, lending to their product my endorsement as a well known Captain and leader in the fishing and boating industry.

Personal Appearances

Throughout the year I am requested to make appearances at events held at major venues such as Cabela's and Mohegan Sun as well as in-store promotions at Atlantic Outboard. I take part in seminars at various fishing club organizations. At all events I display and represent Atlantic Outboard, Hydra-Sports and Evinrude.

Media Advertising

On my personal guide business level, the importance of sponsorship support and brand recognition is heavily displayed on

all print, web and social networking promotions. There is not a promotional avenue utilized without my inclusion of Atlantic Outboard, Hydra-Sports and Evinrude, including the lettering on my vehicle which bears the brand logos.

Field Testing

An important part of my relationship and my value to Atlantic Outboard, Hydra-Sports and Evinrude is that I am continuously provided with new, cutting edge products to rigorously field-test before they are available to the consumer market. The feedback they receive from me is invaluable in their product development and enhancement. This enables me to better assist the dealership in future sales with a hands-on working knowledge of the boats and motors.

This program does not deny Connecticut Sales tax collected by registering the vessel I operate, as I hold a Fisherman Tax Exemption Certificate. My business dealings **do** benefit the State of Connecticut with:

- Numerous boat/engine sales generating sales tax and registration revenues
- My business corporate and income taxes
- Connecticut Charter boat licenses and fees
- Fuel taxes (approx. 3,000 gallons annually)
- Revenue generated by my anglers visiting from in and out of state utilizing local tourist facilities including:
 - hotel accommodations
 - restaurants
 - rental cars
 - auto gas

In late summer 2009, I was contacted by CTDEP Boating Division, alleging potential misuse of marine dealer registration numbers. I received an e-mail which included subsections of the regulations that were current at that time.

I felt I met the criteria of subsection *d*, specifically:

- (1) while a potential purchaser or customer is aboard
- (3) when test running a new vessel after receiving it from the manufacturer
- (6) when test running a trade-in vessel before it is made available for sale
- (7) when running a vessel to, and using a vessel in, a fishing tournament
- (9) when used in connection with the business of the marine dealer
- (11) for personal use of the marine dealer

At this point I contacted State Senator Andrea Stillman's office and through her hard work and diligence, Public Act #10-124, Section 4 was created which clarified regulations governing my unique relationship bridging boat and motor sales with a corporate sponsored endorsement. This was written to be in effect for two years, and will be expiring in May of 2012. Passage of Bill 5412 before you will allow me to remain in business, will enable Atlantic Outboard to maintain the high sales volumes they have achieved, and may open doors for established guides seeking corporate endorsements in the future.

Capt. Dan Wood
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